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United States
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U.S. Central Command Headquarters' Use of the
Government Purchase Card

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Acronyms and Abbreviations

AFI	Air Force Instruction
Comp. Gen.	Comptroller General
FAR	Federal Acquisition Regulation
GAO	Government Accountability Office
GPC	Government Purchase Card
SP	Special Publication
U.S.C.	United States Code
USCENTCOM	United States Central Command
USSOCCENT	United States Special Operations Command Central



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

January 25, 2011

MEMORANDUM FOR COMMANDER, U.S. CENTRAL COMMAND
COMMANDER, 6th AIR MOBILITY WING

SUBJECT: U.S. Central Command Headquarters' Use of the Government Purchase Card
(Report No. D-2011-034)

We are providing this report for review and comment. We considered management comments on a draft of this report when preparing the final report.

DOD Directive 7650.3 requires that all recommendations be resolved promptly. The comments from U.S. Central Command and the 6th Air Mobility Wing were responsive. However, the comments from the U.S. Special Operations Command Central were only partially responsive. Therefore, we request additional comments on Recommendation B.1. by March 25, 2011.

If possible, please send a .pdf file containing your comments to audcol@dodig.mil. Copies of the management comments must contain the actual signature of the authorizing official. We are unable to accept the /Signed/ symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 601-5868 (DSN 329-5868).

A handwritten signature in black ink, reading "Patricia A. Marsh".

Patricia A. Marsh, CPA
Assistant Inspector General
Defense Business Operations



Results in Brief: U.S. Central Command Headquarters' Use of the Government Purchase Card

What We Did

Our objective was to determine whether the U.S. Central Command (USCENTCOM) headquarters' use of Government purchase cards complied with applicable laws and regulations. Our scope of review was a universe of 6,934 purchase card transactions valued at \$7.9 million from July 1, 2008, through June 30, 2009. In addition, we reviewed the USCENTCOM Protocol Office's use of the Government purchase card and accountability for purchases using official representation funds.

What We Found

The Air Force 6th Contracting Squadron's agency program coordinator did not adequately document the group training she administered for approving officials and cardholders. This occurred because the agency program coordinator did not follow Air Force guidance that required the coordinator to document training sessions. Unless training is fully documented, the 6th Contracting Squadron cannot be certain that cardholders have taken all the necessary training to ensure that only proper purchases are made.

USCENTCOM cardholders made 10 inappropriate transactions out of the 120 transactions we nonstatistically selected. Transactions were inappropriate as follows:

- 3 split purchases and 1 prohibited purchase,
- 2 that were both split and prohibited purchases,
- 2 that lacked the required supporting documentation, and
- 2 that should have been purchased through the contracting process.

Also, 8 of the 120 transactions sampled, valued at \$38,081, were purchases of sensitive or pilferable materials that program personnel should have recorded in property record systems. The deficiencies occurred because USCENTCOM personnel did not follow or enforce the purchase card program rules and

regulations for property accountability and inventory management. As a result, the USCENTCOM wasted funds by procuring prohibited items and by splitting purchases that did not receive the benefit of contract competition. It also risked financial loss of materials through inadequate property accountability.

The USCENTCOM Protocol Office did not properly account for 186 gift items, worth \$5,765, and the gifts available exceeded current fiscal year needs for its inventory of gifts. These conditions occurred because the Protocol Office personnel did not properly implement inventory procedures. The lack of accountability over the gift inventory could result in a diversion of assets from official uses. Additionally, the improper and questionable use of official representation funds for an excessive inventory prevented those funds from being used for more effective purposes.

What We Recommend

The Commander, USCENTCOM, should take appropriate actions to dispose of prohibited or excessive items, investigate the coin purchases, and require personnel to comply with policy requiring supporting documentation, property accountability, and inventory management.

The Commander, 6th Air Mobility Wing, should improve the record-keeping of the training taken by Government Purchase Card approving officials and cardholders.

Management Comments and Our Response

The Chief of Staff, USCENTCOM, and Commander, 6th Air Mobility Wing, agreed with the recommendations, and their comments were responsive. The Deputy Commander, U.S. Special Operations Command Central partially agreed with Recommendation B.1. However, we disagree with the comments provided concerning the coin purchases and request that additional comments be provided. Please see the recommendations table on page ii.

Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Commander, U.S. Central Command	B.1	B.2, B.3, C.1, and C.2
Commander, 6 th Air Mobility Wing		A.1 and A.2

Please provide comments by March 25, 2011.

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Introduction

Objective

Our objective was to determine whether the U.S. Central Command (USCENTCOM) headquarters' use of the Government purchase card (GPC) complied with applicable laws and regulations. In addition, we reviewed the U.S. Central Command Protocol Office's use of the Government purchase card and accountability for purchases using official representation funds. See Appendix A for a discussion of the scope and methodology.

Background

Section 2784, title 10, United States Code (10 U.S.C. § 2784) establishes the GPC Program for the Department of Defense. In addition, section 2784 requires the DOD Office of Inspector General to perform periodic audits of the DOD GPC Program to identify:

- potentially fraudulent, improper, and abusive use of purchase cards;
- any pattern of improper cardholder transactions, such as purchases of prohibited items; and
- categories of purchases that should be made by means other than the GPC to better aggregate purchases and obtain lower prices.

Laws and Regulations on Use of the Government Purchase Card

Use of the GPC is governed by public laws, Federal regulations, and executive guidance. Specifically, 31 U.S.C. § 1301(a), commonly known as the Purpose Statute, states that: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law." The effect is that the GPC should only be used to acquire goods and services that are a bona fide need and necessary expense.

The Federal Acquisition Regulation (FAR) Subpart 13.2, "Actions at or below the Micro-Purchase Threshold," states that the GPC is the preferred method to purchase and pay for "micro-purchases." A micro-purchase is an acquisition of supplies or services using simplified acquisition procedures. FAR 13.301(c), "Governmentwide Commercial Purchase Card," states that the GPC is used as a procurement and payment tool for micro-purchases. The micro-purchase threshold during our period of review was \$3,000. Under the Defense Financial Acquisition Regulation Supplement 213.301(2), the GPC may also be used in excess of the micro-purchase threshold for purchases up to \$25,000 made outside the United States, for use outside the United States.

Office of Management and Budget, Circular A-123, "Management's Responsibility for Internal Control," Appendix B, "Improving the Management of Government Charge Card Programs," January 15, 2009, Chapter 13, "Management of Property Acquired by a Purchase Card," provides guidance related to asset accountability. Chapter 13 states: "Because property acquired by the purchase card and/or convenience check is frequently

delivered directly to the cardholder or the end-user (inside delivery), each agency must issue policies and procedures to ensure effective management of this property.”

Program Management at U.S. Central Command

GPCs used by USCENTCOM were issued and supported by a hosting Military Service contracting office. The Air Force’s 6th Contracting Squadron provided this support through its 6th Air Mobility Wing contracting office located at MacDill Air Force Base, Florida. The GPC Program at USCENTCOM was governed by Air Force Instruction (AFI) 64-117, “Air Force Government-Wide Purchase Card Program,” January 31, 2006.

Review of Internal Controls

DOD Instruction 5010.40, “Managers’ Internal Control (MIC) Program Procedures,” January 4, 2006, requires DOD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.

We identified internal control weaknesses for USCENTCOM and the 6th Air Mobility Wing. For the transactions we reviewed, USCENTCOM did not always follow internal controls for property accountability and inventory management. Adequate internal controls over property accountability and inventory management includes ensuring that highly sensitive and pilferable property was documented on the applicable property records and that adequate custodianship was maintained for gift items procured with official representation funds. Implementing the recommendations in Findings B and C will improve the internal controls for property accountability and inventory management.

The 6th Air Mobility Wing’s Contracting Squadron did not follow internal controls over monitoring and record-keeping for GPC refresher training. Implementing the recommendations in Finding A will improve internal controls over the monitoring and record-keeping of the training.

We will provide a copy of the report to the senior officials responsible for internal controls.

Finding A. Support for the U.S. Central Command Headquarters' Government Purchase Card Program

The Air Force 6th Contracting Squadron's agency program coordinator did not adequately document the group training she administered for approving officials and cardholders. This occurred because the agency program coordinator did not follow Air Force guidance that required the coordinator to document training sessions.

During our review, the squadron was developing a new electronic system to support the responsibilities of the agency program coordinator. Until this new system is fully maintained and updated, manual documentation and record-keeping must be completed. Unless training is fully documented, the 6th Contracting Squadron cannot be certain that cardholders have taken all the necessary training to ensure that proper purchases are made.

Purchase Card Controls

Annual Surveillance Reviews

Our review of the 19 surveillance reviews showed that the agency program coordinator's office adequately performed its oversight responsibilities for the GPC Program. AFI 64-117 requires that the agency program coordinator annually review the accounts of each approving official and a random sample of 25 percent of cardholders assigned to the approving official's account. In order to standardize the review, the agency program coordinator must use Surveillance Checklists, which include the "Review of Approving Official Accounts" and "Review of Cardholder/Checkwriter Accounts."

The checklist for the approving official contained 26 questions, including the following:

- Does the approving official have an appointment letter?
- Has the approving official received training?
- Does the approving official review and approve the Statement of Account within 15 days after the end of the billing cycle?
- Has the approving official notified the agency program coordinator of any lost or stolen cards within 5 workdays?
- Does the number of cardholders assigned to approving officials allow them to adequately monitor their cardholders' purchase activity?
- Has the approving official accomplished 100-percent surveillance reviews of cardholder accounts within the past 12 months?
- Does the approving official maintain original supporting documentation for closed cardholder accounts?

The checklist for the cardholder also contained 26 questions, including the following:

- Does the cardholder have a delegation letter?
- Does the cardholder have training?
- Is a single purchase limit set?
- Is a monthly purchase limit established?
- Are the spending limits realistic?
- Are all purchases documented in a purchase log?
- Did the cardholder pay tax on any purchases?
- Are receipts for each purchase and other supporting documentation maintained in a separate file and available for review by the approving official?

The agency program coordinator reviewed 19 of the 20 approving officials' accounts in our sample. The one account that was not reviewed was for a recently appointed approving official. Once the review was completed, the agency program coordinator provided results to the respective unit commanders and requested formal responses for any issues found. If the responses were satisfactory, the agency program coordinator closed out the review and placed it in the approving official's file.

Training Records

The 6th Contracting Squadron's agency program coordinator's office did not adequately document annual refresher training for USCENTCOM approving officials and cardholders. Properly trained individuals are necessary for a successful GPC Program. AFI 64-117 requires mandatory training courses for participants in the GPC Program and annual refresher training. The AFI states the following:

[The agency or organization program coordinator] is responsible for providing mandatory refresher training to all cardholders and approving officials on an annual basis. This "continuing education" requirement can be satisfied by holding a classroom session, providing periodic newsletters, accessing web-based training or other suitable vehicles. The [coordinator] should document these sessions and, when practicable, compile and retain a list of attendees.

Additionally, the AFI states that the agency or organization program coordinator is to "maintain GPC training records for all cardholders and approving officials."

We inquired whether the agency program coordinator had provided refresher training. The agency program coordinator said that she provided a group refresher training session, but a list of attendees was not retained and training certificates were not issued. We were unable to establish why the list was not retained and certificates were not issued. The agency program coordinator had not complied with AFI 64-117 on maintaining training records.

Government Purchase Card Tracking System

The agency program coordinator stated that the 6th Contracting Squadron developed a new centralized database and tracking system to ensure better oversight and accountability over the GPC Program for all of its customers. Personnel in the agency

program coordinator's office provided us with an Excel spreadsheet that was being used to gather the data that would populate the new system.

Training data were included in the database for all approving officials and cardholders involved in the GPC program for all of the 6th Contracting Squadron's customers. At the time of our review, the database was not complete. However, we also reviewed the documentation that described the new automated tracking system and concluded that once the new system was completed, maintained, and updated, the agency program coordinator would be able to more effectively support customers. The 6th Contracting Squadron should establish a plan to ensure that the database is completed, properly maintained, and updated.

Recommendations, Management Comments, and Our Response

A. We recommend that the Commander, 6th Air Mobility Wing:

1. Require the agency program coordinator to follow established Air Force guidance to document all training taken by all approving officials and cardholders.

2. Establish a plan to ensure that the new electronic Government Purchase Card Tracking system is completed, properly maintained, and updated.

6th Air Mobility Wing Comments

The Commander, 6th Air Mobility Wing, agreed and stated that the agency program coordinator is documenting all training and documenting all past training events. In addition, a new policy has been established that stipulates no account will remain active unless all training has been accomplished and entered into the new tracking system.

Our Response

The Commander's comments were responsive and met the intent of the recommendations. No additional comments are required.

Finding B. Compliance With Government Purchase Card Regulations

Cardholders at the USCENTCOM headquarters made 10 inappropriate transactions out of the 120 purchase card transactions. Seven cardholders, reporting to six approving officials, made the following inappropriate transactions:

- 3 split purchases,
- 1 prohibited purchase,
- 2 that were both split and prohibited purchases,
- 2 that lacked the required supporting documentation, and
- 2 that should have been purchased through the contracting process.

Additionally, of the 120 transactions, 29 involved sensitive or pilferable materials that should have been recorded on property records. However, the acquired assets for 8 transactions, valued at \$38,081, were not recorded in USCENTCOM's property accountability systems. This occurred because USCENTCOM personnel did not follow or enforce purchase card program rules and regulations for property accountability and inventory management.

As a result, the U.S. Central Command wasted funds by procuring items and by splitting purchases that did not receive the benefits of contract competition. It also risked financial loss of materials through inadequate property accountability.

Federal Acquisition Regulation and Air Force Guidance

To obtain the goods and services the Government needs from commercial vendors at the lowest cost, the FAR has established the "simplified acquisition" or "micro-purchase" process. The FAR also describes the issue of split purchases. A split purchase occurs when cardholders segregate the purchase requirements into several transactions to avoid the \$3,000 micro-purchase threshold. A split purchase can also occur when recurring services exceed \$3,000 annually.

FAR Part 13 prohibits splitting purchase requirements into more than one transaction to avoid the need to obtain competition on purchases that exceed the \$3,000 micro-purchase threshold. FAR 13.003(c)(2) states the following:

(2) Do not break down requirements aggregating more than the simplified acquisition threshold (or for commercial items, the threshold in Subpart 13.5) or the micro-purchase threshold into several purchases that are less than the applicable threshold merely to—

- (i) Permit use of simplified acquisition procedures; or
- (ii) Avoid any requirement that applies to purchases exceeding the micro-purchase threshold.

Splitting a requirement; that is, making a “split purchase,” is an inappropriate contracting action by which a cardholder potentially deprives the Government of the benefits of competition or avoids other Government procurement policies.

USCENTCOM operated its GPC Program under Air Force regulations; specifically, AFI 64-117. Chapter 2, “Authorized and Unauthorized Use of the GPC,” provides the criteria for transactions made with the purchase card. For example, section 2.1.2 states: “The GPC may be used to purchase authorized supplies, equipment, and non-personal services up to the micro-purchase threshold,” which was \$3,000. Section 2.1.2 also states: “Recurring services requirements estimated to exceed \$2,500 per fiscal year shall be acquired through the local contracting office.”¹ Section 2.4.9, “Gifts,” prohibits the purchase of coins, and Section 2.13, “Accountability of Property,” requires the unit commander to take actions monthly to ensure that the items purchased that require accountability are recorded in the appropriate property book. Under Section 4.3.5.2, “Conditions for Use,” the instruction states: “Payment for purchases shall not be split in order to stay within the single purchase limit.”

Areas of Noncompliance

Split Purchases

Three cardholders made split purchases by inappropriately splitting single requirements into multiple transactions to stay under the \$3,000 single-purchase limit. Two of the purchases were for a prohibited item. These purchases were made under three approving officials.

A cardholder in the U.S. Special Operations Command Central (USSOCCENT) within USCENTCOM and headquartered at MacDill Air Force Base had a request for 900 Command coins. The cardholder made an acquisition of 500 coins, for \$2,350, from a U.S. vendor and 8 days later acquired another 400 identical coins, for \$1,880, from an overseas vendor. These 900 coins cost a total of \$4,230, thus exceeding the micro-purchase limit of \$3,000 by \$1,230. The cardholder stated in our interview that he was not satisfied with the coins from the U.S. vendor and so he went to the foreign vendor. We concluded that the cardholder made the two transactions to avoid the \$3,000 single purchase limit requirement. The purchase of coins is prohibited under AFI 64-117, section 2.4.9, but even if it was permitted, it would have been an improper split purchase under AFI 64-117, section 4.3.5.2, and FAR.13.003(c)(2). The approving official did not prevent or protest the transactions and, therefore, was responsible for them. They were an inappropriate use of the purchase card and Government funds.

In another occurrence of a split transaction, a USCENTCOM cardholder purchased a door for an office suite, at a cost of \$2,547. Within minutes, the cardholder paid an additional \$600 for expedited shipping. Both the requirement for the door and the

¹The micro-purchase threshold in the FAR is \$3,000; AFI 64-117 still stipulated \$2,500 for its purchase limit for supplies and services.

expedited shipping, totaling \$3,147, were known at the time of the transactions. The approving official acknowledged the purchase was a split purchase by a cardholder on temporary duty assignment at a facility away from the main USCENTCOM facility. He stated that USCENTCOM had taken action to prevent future split purchases; specifically, cards would no longer be issued to temporary duty personnel, special emphasis would be put on identifying all potential requirement costs before making purchases, and all purchases would be approved by the approving official before an acquisition.

Another cardholder also split a single requirement, purchasing 25 clocks and 40 pen sets from the same vendor on the same day. These were intended to be gifts to be presented by the Director of Intelligence, USCENTCOM. They were an allowable expense because they were purchased using official representation funds, which are set aside for extending official courtesies to distinguished citizens, foreign dignitaries, and others. However, the cardholder made the purchase in two installments – a deposit of \$1,500 and another of \$1,615 – on the same day, thereby exceeding the \$3,000 limit. The cardholder made the two transactions to avoid the \$3,000 purchase limit. Therefore, this split procurement transaction was an inappropriate use of the purchase card and a clear violation of established regulations against split procurements.

Prohibited Items

AFI 64-117, Section 2.4.9, “Gifts,” prohibits the purchase of coins using the Government Purchase Card. One cardholder made three transactions to purchase coins, outside the official representation fund process, using Operation and Maintenance appropriated funds. The cardholder purchased 500 Command Sergeant Major coins for \$2,275 and 900 Command coins for \$4,230 in two transactions. (These are the Command coins discussed under Split Procurements.)

The Government Accountability Office (GAO), in “Principles of Federal Appropriations Law,” GAO-04-261SP [special publication], January 1, 2004, supported the AFI 64-117 prohibition of coin purchases. Drawing upon 31 U.S.C. § 1301(a), commonly known as the Purpose Statute, GAO opined in 68 Comp. Gen. [Comptroller General] 226 (1989) that the use of appropriated funds for gifts is prohibited unless there is specific statutory authority. USCENTCOM did not provide specific statutory authority to purchase coins.

GAO further stated that the approval of gifts generally involves the application of the “necessary expense doctrine.” GAO states:

The necessary expense rule is really a combination of two slightly different but closely related concepts:

An appropriation made for a specific object is available for expenses necessarily incident to accomplishing that object unless prohibited by law or otherwise provided for. For example, an appropriation to erect a monument at the birthplace of George Washington could be used to construct an iron fence around the monument where administratively deemed necessary to protect the monument. 2 Comp. Dec. 492 (1896). Likewise, an appropriation to purchase bison for consumption covers the slaughtering and processing of the bison as well as the actual purchase. B-288658, Nov. 30, 2001.

Appropriations, even for broad categories such as salaries, frequently use the term 'necessary expenses.' As used in this context, the term refers to 'current or running expenses of a miscellaneous character arising out of and directly related to the agency's work.' 38 Comp. Gen. 758, 762 (1959); 4 Comp. Gen. 1063, 1065 (1925).

GAO explained that the giving of gifts (in this case, the coins) needs to directly contribute to an authorized function of the agency. GAO opined that the rationale for awards follows that of gifts and cites that occasional exceptions may apply if there is adequate justification under the necessary expense doctrine.

The documentation and testimony provided by the cardholder did not support a necessary expense. During an interview, the cardholder stated that the coins were not given out as awards. The cardholder stated that the Command had traditionally kept a stock of coins for the Commander to present to USCENTCOM personnel whenever the Commander visited places. Distributing coins to personnel did not further USCENTCOM's mission and, thus, was not a necessary expense. The cardholder did not comply with AFI 64-117. The approving official did not prevent or protest the transactions and, therefore, assumed responsibility for them. These transactions were inappropriate and a misuse of the purchase card and Government funds.

Supporting Documentation

Two cardholders in our sample, working under two different approving officials, initiated two transactions but did not retain documentation to support the transactions. AFI 64-117, Section 4.3.5.3.1.1, "General," requires cardholders to maintain:

[r]eceipts (cash register "tickets," invoices, shipping/packing documents or receiving reports, or electronic purchase confirmations are acceptable) for each purchase and other supporting documentation such as special approvals...in a separate file...available for review by the approving official and [agency/organization program coordinator], upon request.

Further, in Section 4.3.5.5.1, "Documentation and Retention," the instruction states, "Documents received and/or generated by the cardholder to support transactions shall be retained for three years after final payment."

One cardholder spent \$2,157 at the local installation's Army and Air Force Exchange Service store for three television sets. We discussed this purchase with the approving official because the cardholder had transferred and was no longer available. At the time of our site visit, the approving official could not locate any supporting documentation for the transaction. After our visit, however, the approving official obtained and provided us with documentation on the purchase. He stated that the television sets were procured for the new commander's office.

In another transaction, the cardholder spent \$177 for a vacuum cleaner that was procured in Southwest Asia. The cardholder did not retain the supporting documentation for the transaction, stating that she knew she had the responsibility to keep the documentation but had failed to do so in this case.

Proper Purchase Procedures

Two cardholders made periodic purchase card transactions to pay for services that should have been acquired through a contract established by a contracting office. AFI 64-117, Section 2.1.2 states, “Recurring services requirements estimated to exceed \$2,500 per fiscal year shall be acquired through the local contracting office.”

One cardholder was making monthly payments of \$500, totaling \$6,000 per year, for a media review service. The cardholder and approving official justified the purchase but did not use a contract to acquire this recurring service. During the audit, the agency program coordinator investigated the circumstances and told us a contract had been established, but there was a communications error, and in this case, the contract was not used. We verified that the contract existed and could have been used. The agency program coordinator took action during the audit to begin paying for the media service through the contracting process.

Another cardholder was paying for a water service, a legitimate Government need under the circumstances. Our sample transaction was for \$1,915, but the total yearly cost for the service exceeded \$11,000. The cardholder told us that there used to be a blanket purchase agreement for water services, but he was told that the contracting office canceled the contract. During the audit, we brought this to the attention of the agency program coordinator. As a result, the cardholder, agency program coordinator, and contracting office were working to establish a contract for the service.

Property Accountability

USCENTCOM personnel did not ensure that accountable property acquired with the Government purchase card was recorded in property records. Accountability for the goods and services acquired is an integral part of the GPC process. AFI 64-117, Section 2.13, “Accountability of Property,” requires the unit commander to take action monthly to ensure that the items purchased that require accountability are recorded in the appropriate property book. Property book records are to include all materials considered pilferable or easily resalable on the open market. Examples of such assets include cell phones, digital cameras, fax machines, personal digital assistants, copiers, and printers. Eight cardholders’ transactions, valued at \$38,081, were for property that should have been recorded on accountability records. (See the Table.)

Unrecorded Assets

Description	Cost
2 low-speed Kawasaki Mule vehicles	\$19,800
Global positioning system devices	8,835
900 USCENTCOM coins	4,230
500 Command Sergeant Major coins	2,275
Television	1,299
Multimedia projector and mount	989
Cigar storage boxes	653
Total	\$38,081

These assets were sensitive, pilferable, and easily resalable or divertible to personal use. The cardholders who acquired them and their approving officials failed to ensure that the assets were recorded on property accountability records. We attribute this to a lack of emphasis on ensuring that cardholders, approving officials, and unit commanders to follow property accountability procedures for assets acquired using the purchase card.

One group of items, cigar boxes, was an approved acquisition made under a special foreign relations program, the provisions of which required the accounting for each asset purchased and to whom it was given. However, the approving official did not ensure that the assets were recorded on property records. Also, for other items, including a multimedia projector, global positioning devices, and a television, the approving officials did not ensure that the assets were recorded.

USCENTCOM officials stated that two low-speed vehicles, specifically Kawasaki Mules, were not recorded in accountable property records when purchased because of human error. The MacDill Air Force Base Transportation Management Office personnel failed to record the assets when the Mules were received and assembled in October 2008. One Mule was recorded in September 2009 and the other was recorded in November 2009, about 1 year after they were purchased. While locating the two Kawasaki Mules, we observed that the sample items and two other low-speed vehicles at USCENTCOM did not have markings that identified them as Government vehicles. Distinctively marking the vehicles as Government property would assist in preventing them from being diverted to other uses.

DOD Instruction 5000.64, "Accountability and Management of DoD-Owned Equipment and Other Accountable Property," November 2, 2006, Paragraph 4, "Policy," states: "All persons entrusted with the management of Government property shall ... [b]e responsible for the proper use, care, and physical protection of all Government-owned property." Although the 1,400 coins were not an approved asset for acquisition, as discussed, the coins were still Government-owned assets. Because of the nature of the asset, the beginning balance, disposition of each coin, and the ending balance should have been recorded in an inventory system.

Conclusion

The responsibility for the appropriate use of the GPC falls upon the approving official. Most of the transactions we reviewed were properly executed. However, for 10 transactions, approving officials and cardholders did not follow proper acquisition procedures. Also, for eight transactions, approving officials and cardholders did not record the assets in a property system. AFI 64-117 contains numerous references to the consequences for noncompliance with GPC controls. It is critical that the agency program coordinator and USCENTCOM enforce these controls. Unless approving officials and cardholders are held accountable for following key internal controls, the potential for improper transactions continuing will not be minimized.

Management Comments on the Finding and Our Response

The Chief of Staff, USCENTCOM, requested we remove the first three sentences of the last paragraph on page 11 of the draft report. He stated that “CENTCOM knows of no actual situations where accountability of the Mules has not been maintained, or which USCENTCOM officials could have made this erroneous statement.” In addition, he stated that:

the Air Force does not consider these Mules as vehicles and so we can’t enter them into the Air Force’s formal vehicle authorization and accountability systems (which are the systems that we use to record and maintain accountability of all rolling stock that the Air Force provides and considers vehicles, since the Air Force is our Executive Agent). CENTCOM does not have a “Transportation Management Office”. The host base does.

Our Response

We did not remove our wording about recording the Kawasaki Mules in the accountable property records. The low-speed vehicles were not included in the records at the time of the audit. The personnel designated by USCENTCOM to respond to our review of the sample transaction did make the statement to us about lack of accountability.

USCENTCOM personnel recorded the vehicles in the property book during the audit. In response to our recommendation B.3, the Chief of Staff, USCENTCOM, agreed to mark the vehicles as “Property of the U.S. Government.” We believe this action will further improve accountability. We changed the wording in the report to reflect the MacDill Air Force Base Transportation Management Office.

Management Comments on the Issues Related to USSOCENT Coin Purchase

We received two sets of comments from the Deputy Commander, USSOCENT. In his initial comments on the draft report, the Deputy Commander provided more information about the purchase of coins. He stated that they were purchased to be awarded as part of the Mission Impact Awards program. He indicated that the coins were appropriately purchased in accordance with CENTCOM Regulation 672-3.

The Deputy Commander provided a second set of comments in response to our request for the procurement records and the awards package for all recipients of the coins. We requested the citation and narrative justification for each award given. The Deputy Commander stated that he did not maintain inventory control records during the period the coins were awarded. However, he added that USSOCENT began maintaining a coin log in March 2010. He also stated that a closer inspection of paragraph I-25 of CENTCOM Regulation 672-3 does not show a requirement to process and maintain an awards submission package for coins for Mission Impact Awards; therefore, USSOCENT did not prepare or possess an awards package for these coins. The complete text of his comments is attached in the Management Comments section.

Our Response

The Deputy Commander's action to begin maintaining a coin log was responsive. However, we disagree that there was no requirement to maintain an awards submission package for coins. CENTCOM Regulation 672-3, November 5, 1999, was in effect at the time the transactions were made. The regulation was updated in August 2009, but the requirements generally remained the same. The Deputy Commander cited section 1-25, which is actually Section I paragraph 25 page 1-21 of the updated regulation.

Section I, paragraph 15(a), of the November 1999 Regulation, which was in effect at the time the transactions were made, discusses impact awards. It states that:

“an impact award is a personal decoration for a specific act or accomplishment of such magnitude that immediate recognition is necessary to fully reward the performance being cited. The awards approval authority must have personal knowledge of the act or accomplishment, either by having observed the act or by having it immediately reported to him or her by a reliable eyewitness or other dependable source. If the Commander in Chief/Deputy Commander in Chief personally approves the impact award “on the spot,” a CC Form 25, Final Citation, should be prepared and submitted to CCJ1-MPSA by the service member's chain of supervision. Only impact awards may be processed in this manner.”

Section I, paragraph 16(b), specifies the items that may be awarded. It states that the Mission Impact Award consists of coin medallions, trophies, badges, and similar devices with the USCENTCOM logo. Section I, paragraph 16(f), requires that the Protocol Office order impact award items in coordination with the Comptroller and maintain and control the inventory of impact award items. USSOCENT did not comply with the requirements to prepare citations for the awards and maintain and control the inventory.

Recommendations, Management Comments, and Our Response

B. We recommend that the Commander, U.S. Central Command:

1. Conduct an investigation into the acquisition of the coins and take appropriate command action based on the results of the investigation.

USSOCENT Comments

The Deputy Commander, USSOCENT, partially agreed. After conducting an investigation into the coin purchase, he stated that he did not agree that the coin purchase was illegal because the coins were purchased under the Mission Impact Awards program in accordance with CENTCOM Regulation 672-3, section 1-25. The Deputy

Commander agreed that the purchase was improper as a split purchase and stated that all current personnel who have responsibility for coin purchases were briefed on the correct procedures and that USSOCENT has discontinued using overseas vendors for the purchase of Command coins.

Our Response

The Deputy Commander's comments were partially responsive. The planned actions to prevent future split purchases were responsive; however, we disagree that the coins were purchased in compliance with the Mission Impact Awards program.

As stated above, upon receiving the Deputy Commander's comments, we requested additional documentation about the awards program from USSOCENT. Specifically, we requested the inventory records and the award citations for the coins. The Deputy Commander, USSOCENT, responded that the inventory records for the time period of the audit did not exist but record keeping began in March 2010. He indicated that the award citation records also did not exist and were not required.

The regulation in effect at the time the Deputy Commander, USSOCENT, awarded the coins was USCENCOM Regulation 672-3, November 5, 1999. It specifically required that an inventory and final award citations be maintained when processing impact awards.

We concluded that the coin purchases were not accounted for in accordance with the awards program. Action is now in place to maintain inventory records. Additional action is needed to ensure that USSOCENT personnel do not purchase and award coins without preparing citations and narrative justification for the awards given. We request that the Deputy Commander, USSOCENT, provide additional comments that address this outstanding issue.

2. Reemphasize to U.S. Central Command personnel, including approving officials and cardholders, the responsibility to record applicable assets in property accountability systems.

U.S. Central Command Comments

The Chief of Staff, U.S. Central Command, agreed. The Chief of the Contracting Division issued a policy memorandum reminding all approving officials and cardholders to record applicable assets in the property accountability system.

3. Require the distinctive marking of all the U.S. Central Command low-speed vehicles as U.S. Government vehicles.

U.S. Central Command Comments

The Chief of Staff, U.S. Central Command agreed, and stated that all low-speed vehicles will be clearly labeled as "Property of the U.S. Government" using permanent etchings. The estimated completion date for this tasking was October 15, 2010, for all vehicles located in Tampa and Qatar.

Our Response

The Chief of Staff's comments were responsive and met the intent of the recommendation. No additional comments are required.

Finding C. Official Representation Fund Gift Inventory

The USCENTCOM Protocol Office did not comply with applicable regulations concerning proper inventory management and accountability for gift items purchased using the GPC. Specifically, our nonstatistical sample of gifts maintained by the Protocol Office showed a discrepancy of 107 gift items, valued at \$5,488, and 79 Command coins, valued at \$277. In addition, the Protocol Office maintained an inventory of gift items that exceeded current fiscal year needs.

These conditions were caused by the failure of personnel assigned to the Protocol Office to properly implement inventory procedures. In addition, the inventory of coins was not reconciled upon the change of custodianship. Finally, the Protocol Office failed to follow established procedures that required gifts procured using the GPC to satisfy only current fiscal year requirements. As a result, the lack of accountability over the gift inventory could lead to a diversion of assets from official uses. Additionally, the improper and questionable use of official representation funds for an excessive inventory prevented those funds from being used for more effective purposes.

Guidance on Use of Official Representation Funds

DOD Instruction 7250.13, "Use of Appropriated Funds for Official Representation Purposes," June 30, 2009, establishes policy, assigns responsibilities, and prescribes procedures for the use of appropriated funds for official representation purposes. It specifies that these funds are to be used to host official receptions, dinners, and similar events, and to otherwise extend official courtesies to guests of the United States and DOD for the purpose of maintaining standing and prestige. DOD component heads are to monitor the use of these funds closely to ensure that expenditures comply with socially accepted morals and that they serve U.S. policy objectives and taxpayer interests. DOD components heads are to budget and account for resources necessary to support their official representation requirements. Further, component heads are to maintain records on how and why these funds were used.

Chairman, Joint Chief of Staff Instruction 7201.01A, "Combatant Commanders' Official Representation Funds," November 7, 2006, specifies that the combatant commander is specifically accountable for controlling the use of official representation funds in accordance with the approved fiscal year allocation.

AFI 65-603, "Official Representation Funds – Guidance and Procedures," February 17, 2004, provides specific instructions on maintaining records on gift assets. The following details the specific requirements for the use of official representation funds and record maintenance for gifts.

- Section 10.2 states that items purchased with official representation funds must be strictly accounted for, and the Commander must ensure that there is a current, accurate inventory at all times with a clear audit trail of all items purchased.

Additionally, coins issued from official representation inventories must be identified by presentation date, location, and recipient's name.

- Section 10.3 requires an annual inventory by impartial personnel who reconcile the beginning inventory, purchases, and gift items presented to the inventory on hand. The individual who performs the inventory is also required to report findings to the designated authority and file a report with inventory records for audit purposes. Section 10.3.1 also states, "Complete inventory reconciliation is required any time inventory custodianship changes."
- Section 10.4 states that: "Gift locker inventories should be kept to a minimum. Designated authorities should only approve purchases of enough stock for the current fiscal year."² Section 10.4.1 states that personalized items should be kept to a minimum to avoid disposal at the conclusion of the command tour. Section 10.4.2 states that end-of-year purchasing is highly discouraged, as it creates inappropriate excess inventory.
- Section 10.5 discusses the disposal of items from official representation inventories that are damaged or otherwise need disposal. It specifies that the disposal should be in accordance with local supply procedures to ensure proper turn-in to the Defense Reutilization and Marketing Service or other authorized disposal.

Use of Purchase Card for Official Representation

Accountability of the assets acquired by the GPC is an integral part of the GPC process because these items are highly pilferable. To determine whether the Protocol Office was maintaining and monitoring assets procured for official representation, we inventoried a nonstatistical sample of items in the gift locker and performed a reconciliation of the records maintained for Command coins.

Inventory of Gift Items

The Protocol Office did not maintain an accurate inventory of assets stored in its gift locker. The Protocol Office provided a listing of 96 distinct line assets that identified 994 gifts, valued at \$34,425. We inventoried 30 nonstatistically selected distinct line assets that were identified as having 446 items, valued at \$19,661. The inventory count yielded a shortage of 106 items and an overage of 1 item, with a total discrepancy value of \$5,488. In addition, we requested and received data on the Command coins that were maintained in a locked drawer. We reconciled the data provided and obtained invoices or receipts for the coins purchased. After our visit, we made several followup inquiries of the Protocol Office and the USCENTCOM Inspector General regarding 79 Command coins for which Protocol Office personnel could not account.

² A "gift locker" is a storage facility for assets acquired to support the Command's official representation functions and is usually maintained by a Command Protocol Office.

When asked about these discrepancies, the Protocol Office personnel stated that the individual who had been responsible for the official representation inventory retired in September 2008, at which point they took over the responsibility for the gifts. They did not take an inventory as required by established guidance for both the gift locker and Command coins. Rather, they decided to begin a new count of coins that tracked the new purchases under their custodianship. The Protocol Office needs to follow the provisions of AFI 65-603, section 10, on maintaining accurate records of the gifts acquired and their disposition.

Accurate inventory records are an important element of internal controls. The lack of an accurate inventory record can leave assets vulnerable to diversion to personal or other nonofficial uses. Assets from a protocol office gift locker tend to be personal use-oriented items and vulnerable to pilfering.

Excessive Inventory

During our review of the contents of the gift locker, we noticed that many items had been stored for a long time. When asked about these items, Protocol Office personnel stated that these items had been procured to be given as gifts by previous USCENTCOM Commanders and that they would not be given away by the current Commander. Chairman, Joint Chiefs of Staff Instruction 7201.01A and AFI 65-603 state that official representation gifts are to be acquired and presented in the current fiscal year.

The Protocol Office needs to identify the gifts that meet current needs and dispose of the remaining assets using proper Government procedures, such as through the Defense Reutilization and Marketing Service. As stated in AFI 65-603, the Protocol Office needs to acquire gifts that meet current fiscal year needs.

Use of Funds

The inventory in the USCENTCOM gift locker was beyond the current fiscal year needs of USCENTCOM and was an improper and questionable use of funds. DoD Directive 7250.13 specifies that DOD components heads are to budget and account for resources necessary to support their official representation requirements. In addition, the Chairman, Joint Chief of Staff Instruction 7201.01A specifies that the combatant commander is specifically accountable for controlling the use of official representation funds. As part of the emergency and extraordinary expense provisions of the Operation and Maintenance appropriation, official representation funds are to be used within the year of the appropriation. By building an inventory that carries over from year to year, USCENTCOM personnel were inappropriately using the official representation funds. USCENTCOM Commanders procured an excessive official representation inventory and expended funds that could have been applied to other representation purposes or reprogrammed for other needs.

Recommendations, Management Comments, and our Response

C. We recommend that the Commander, U.S. Central Command:

1. Require the Command Protocol Office to perform a complete inventory and analysis of all assets in the gift locker to obtain an accurate inventory count and identify excessive items that should be either depleted as official gifts or disposed of by the Defense Reutilization and Marketing Service.

U.S. Central Command Comments

The Chief of Staff, U.S. Central Command, agreed and stated that the Protocol Office completed the inventory of the gift locker on September 1, 2010.

2. Require the Command Protocol Office to acquire gifts that meet current fiscal year needs only.

U.S. Central Command Comments

The Chief of Staff, U.S. Central Command, agreed in principle. The Chief of Staff added that the Protocol Office must purchase and maintain gifts at the end of the fiscal year to meet the Commander's ongoing travel and operational engagements because the office has historically not had official representation funds available and/or approved at the beginning of the fiscal year.

Our Response

The Chief of Staff's comments were responsive and met the intent of the recommendation. We agree some carryover of gifts is needed, but amounts should not be excessive. No additional comments are required.

Appendix. Scope and Methodology

We conducted this performance audit from August 2009 through December 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our objective was to determine whether the U.S. Central Command (USCENTCOM) headquarters' use of Government purchase cards (GPCs) complied with applicable laws and regulations. We conducted the audit at the Air Force 6th Contracting Command's GPC Program Management Office and USCENTCOM headquarters at MacDill Air Force Base, Florida. We interviewed individual cardholders, approving officials, and the agency program coordinator. We were limited to interviewing cardholders and approving officials at the USCENTCOM Inspector General's office because of access issues within the headquarters building.

We also reviewed supporting documents, such as sales receipts, invoices, approval documents, inventory lists, and contracts. Further, we tested individual transactions to determine whether there was a valid Government need, proper accountability for materials purchased, and evidence of cardholder's and approving official's review of the purchase. To verify the existence of accountable property, we nonstatistically selected property purchased through the transactions in our sample and tested for its existence.

We nonstatistically selected a sample of GPC transactions to review. The agency program coordinator for USCENTCOM provided a database of 6,934 purchase card transactions that occurred from July 1, 2008, through June 30, 2009, valued at \$7.9 million. We nonstatistically selected 120 transactions valued at \$472,681. Our selection was based on various GPC attributes, such as the transaction amount, date of purchase, type of vendor, and other indicators relevant to Federal and DOD spending guidance. Our review was limited to a nonstatistical sample; thus, we cannot project the results to the universe of purchase card transactions. In addition, the Protocol Office provided a listing of 96 distinct line assets that identified 994 gifts valued at \$34,425. We inventoried 30 nonstatistically selected distinct line assets that were identified as having 446 items valued at \$19,661. We also reviewed data on the inventory of Command coins that were maintained in a locked drawer.

We also reviewed CENTCOM Regulation 672-3 dated August 25, 2009 and the prior version dated November 5, 1999 due to information received subsequent to the draft report. The review was performed to analyze the procedures for the Mission Impact Awards program.

Use of Computer-Processed Data

We used computer-processed data to perform this audit. The agency program coordinator for USCENTCOM provided a database of purchase card transactions from the U.S. Bank Access Online system from July 1, 2008, through June 30, 2009. We used the data to nonstatistically select a sample of transactions for our review.

We assessed the reliability of the U.S. Bank data by tracing the data to source documents. Specifically, we compared the computer-processed data in our nonstatistical sample to sales receipts, invoices, approval documents, and contracts. We also corroborated information through cardholder interviews and e-mail correspondence. This assessment showed that the data were sufficiently reliable for the purpose of our review.

Prior Coverage

No prior coverage has been conducted on the USCENTCOM headquarters' use of Government purchase cards during the last 5 years.

United States Central Command Comments



UNITED STATES CENTRAL COMMAND
OFFICE OF THE CHIEF OF STAFF
7115 SOUTH BOUNDARY BOULEVARD
MACDILL AIR FORCE BASE, FLORIDA 33621-5101

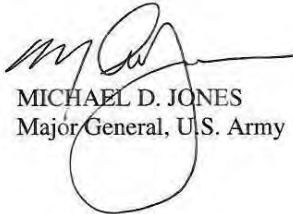
9 September 2010

TO: DEPARTMENT OF DEFENSE INSPECTOR GENERAL

SUBJECT: United States Central Command Response to DODIG Draft Report
"USCENTCOM Headquarters Use of the Government Purchase Card"
(DODIG Project No. D2009-DOOOFJ-0265.000)

1. Thank you for the opportunity to respond to the recommendations presented in the DODIG draft report.
2. Attached is the CENTCOM staff response to the draft. CENTCOM concurs with the recommendations with comments. We will follow up with a final implementation notice when all low speed vehicles have been marked as government property.
3. The Point of Contact is [REDACTED] USCENTCOM Inspector General, [REDACTED]

*We appreciate the look
and the very practical
recommendations. We'll
be better as a
result.*
Enclosure
CENTCOM Response


MICHAEL D. JONES
Major General, U.S. Army

DODIG Draft Report
"USCENTCOM Headquarters Use of the Government Purchase Card"
(DODIG Project No. D2009-DOOOFJ-0265.000)

**CENTCOM/SOCCENT RESPONSE TO THE RECOMMENDATIONS AND
GENERAL COMMENTS TO THE DRAFT REPORT**

RECOMMENDATIONS:

(Page 12 of Draft) DODIG recommends that the Commander, U.S. Central Command:

B.2. Reemphasize to U.S. Central Command personnel, including approving officials and cardholders, the responsibility to record applicable assets in property accountability systems.

CENTCOM Response: CCJ4 concurs with this recommendation and has issued an appropriate memo.

B.3. Require the distinctive marking of all the U.S. Central Command low-speed vehicles as U.S. Government vehicles.

CENTCOM Response: CCHC concurs with the recommendation. The CENTCOM Headquarters Commandant (CCHC) understands the Inspector General's concern regarding the proper marking of the Mules (and other such equipment) as government property. CCHC understands that the current method of using bumper numbers which are removable is not sufficient. CCHC will ensure that all Mules which were purchased and are used by CCHC, are clearly labeled as "Property of the US Government" via permanent etchings. CCHC will accomplish this NLT 15 October (both in Tampa and in Qatar).

(Page 16 of Draft) DODIG recommends that the Commander, U.S. Central Command:

C.1. Require the Command Protocol Office to perform a complete inventory and analysis of all assets in the gift locker to obtain an accurate inventory count and identify excessive items that should be either depleted as official gifts or disposed of by the Defense Reutilization and Marketing Service.

CENTCOM Response: Protocol concurs with this recommendation. The inventory was completed on 1 September 2010.

C.2. Require the Command Protocol Office to acquire gifts that meet current fiscal year needs only.

CENTCOM Response: Protocol partially concurs with this recommendation. Protocol must purchase and maintain gifts at the end of FY to meet the CDR's ongoing travel and operational engagements. ORF funds historically have not been available/approved at the beginning of new FY.

GENERAL COMMENTS ON THE REPORT

PAGE 11 of Draft Report:

CENTCOM Recommends Removal of the Following:

"USCENTCOM officials stated that two low-speed vehicles, specifically Kawasaki Mules, were not recorded in accountable property records when purchased because of human error."

Reason: CENTCOM knows of no actual situations where accountability of these Mules has not been maintained, or which USCENTCOM officials could have made this erroneous statement.

CENTCOM Recommends Removal of the Following:

The Transportation Management Office personnel failed to record the assets when the Mules were received and assembled in October 2008." One Mule was recorded in September 2009 and the other was recorded in November 2009, about 1 year after they were purchased."

Reason: the Air Force does not consider these Mules as vehicles and so we cannot enter them into the Air Force's formal vehicle authorization and accountability systems (which are the systems that we use to record and maintain accountability of all rolling stock that the Air Force provides and considers vehicles, since the Air Force is our Executive Agent). CENTCOM does not have a "Transportation Management Office". The host base does.

APPROVED BY:

Deputy CCIG



SPECIAL OPERATIONS COMMAND CENTRAL
OFFICE OF THE DEPUTY COMMANDER
7115 SOUTH BOUNDARY BOULEVARD
MACDILL AIR FORCE BASE, FLORIDA 33621-5101

9 September 2010

FROM: Rear Admiral Gary W. Rosholt, Deputy Commander, Special Operations Command Central

TO: United States Central Command (CENTCOM) Inspector General (IG)

SUBJECT: Reply to CENTCOM Tasker 20100810-019

1. SOCCENT partially concurs with the recommendations in the report resulting from subject tasker. Specifically we disagree that this was an illegal purchase prohibited under AFI 64-117, section 2.4.9. The coins were purchased under mission impact awards program IAW CENTCOM Regulation 672-3, section 1-25. With regard to the split purchase, an informal inquiry was conducted and it was established it was an improper purchase.

A) The intent was to purchase commander's coins from a new vendor (CRC Mall) that could price-match our previous purchases. The new vendor (CRC Mall) offered expedited 2-3 week delivery times for products versus the 4-6 weeks the previously-used vendor (Coinforce.com) offered.

B) On 16 Jan 2009, SOCCENT purchased coins from CRC Mall. These coins did not match the existing commander's coin; the gold wasn't the expected quality or finish.

C) After realizing these coins were not a match, new coins were ordered from the old vendor (Coinforce.com) on 2 Feb 2009; with the intent to return the order from CRC Mall.

D) Prior to receiving the second order from Coinforce.com, the commander ran out of coins, and the unsatisfactory coins were utilized by mistake.

2. SOCCENT leadership has explained the proper procedures for all coin orders to the individuals currently responsible for ordering them and it is my understanding that there was no intention to place a duplicate order.

3. The card holder, billing official and approving officials involved in the orders in question are no longer with SOCCENT and all currently-appointed personnel have been briefed on proper procedures. Additionally, the overseas vendor has not been used for commander coins since.


G. W. ROSHOLT
Rear Admiral, U.S. Navy
Deputy Commanding General



SPECIAL OPERATIONS COMMAND CENTRAL
OFFICE OF THE DEPUTY COMMANDER
7115 SOUTH BOUNDARY BOULEVARD
MACDILL AIR FORCE BASE, FLORIDA 33621-5101

27 October 2010

FROM: Rear Admiral Gary W. Rosholt, Deputy Commander, Special Operations Command Central

TO: United States Central Command (CENTCOM) Inspector General (IG)


SUBJECT: Reply to CENTCOM Tasker 20101021-001

Ref: (a) US CENTCOM Regulation 672-3

Encl: (1) E-mail dated 14 October 2010

(2) Procurement records for coins

1. This letter is in response to Enclosure (1), Department of Defense (DoD) Inspector General email, from [REDACTED] dated October 14, 2010.
2. Within paragraph (1) of Enclosure (1) you ask Special Operations Command Central (SOCCENT) to provide "the procurement records of the ... coins." You cite as the basis for your request paragraph 1-25 of reference (a). However, the inventory control records requested were not maintained during that period. Since March 2010, SOCCENT has maintained a coin log in accordance with paragraph 1-25 of Reference (a).
3. In paragraph (2) of Enclosure (1) you request copies of the "awards packages for all the recipients of the coins, including the citation and narrative justification for each award given." The justification you cite for seeking the citations in paragraph (2) of Enclosure (1), is paragraph 1-25 of reference (a). Upon closer inspection of paragraph 1-25 of Reference (a), there is not a requirement to process and maintain an awards submission package for mission impact award for coins. Therefore SOCCENT did not prepare or possess an awards package for these coins.
4. SOCCENT hopes this addresses the subject line request for additional supporting documentation. SOCCENT has corrected the obvious noted deficiencies and we will continue to reference (a) paragraph 1-25 procurement and inventory control requirements.
5. The SOCCENT POC for this action is [REDACTED] SOCCENT IG at 813-828-7023.


G. W. ROSHOLT
Rear Admiral, U.S. Navy
Deputy Commanding General

6th Air Mobility Wing Comments



**DEPARTMENT OF THE AIR FORCE
6TH AIR MOBILITY WING (AMC)
MACDILL AIR FORCE BASE, FLORIDA**

MEMORANDUM FOR INSPECTOR GENERAL
Department of Defense
4200 Army Navy Drive
Arlington VA 22202-4704

31 AUG 2010

SUBJECT: DODIG Draft Report, U.S. Central Command Headquarters use of the
Government Purchase Card, Project: D2009-D000FJ-0265.000

FROM: 6 AMW/CC
8208 Hangar Loop Dr, Ste 1
MacDill AFB FL 33621

1. The 6th Contracting Squadron has received the subject draft report and provides the following comments for your consideration.
2. We concur with the two recommendations for the 6th Air Mobility Wing. Our agency program coordinator is documenting all training and locating documentation from past training events. That training data is being loaded into our new automated tracking system which was noted in your draft report. Additionally, new policy has been established that stipulates no account will remain active unless all training is accomplished and subsequently input into our new tracking system.
3. Any further questions in this matter should be directed to [REDACTED]

A handwritten signature in black ink, reading "Lenny J. Richoux", is positioned above the printed name.

LENNY J. RICHOUX, Colonel, USAF
Commander

UNRIVALED GLOBAL REACH FOR AMERICA...ALWAYS!



Inspector General Department of Defense

